



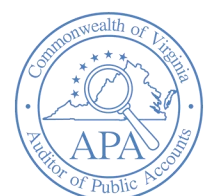
DANVILLE COMMUNITY COLLEGE

REVIEW REPORT FOR THE YEAR ENDED JUNE 30, 2014

Auditor of Public Accounts
Martha S. Mavredes, CPA

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Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
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March 2, 2015

Dr. Bruce R. Scism
President, Danville Community College

INDEPENDENT ACCOUNTANT'S REVIEW REPORT

We have reviewed the accompanying Statement of Net Position of **Danville Community College** as of June 30, 2014, and the related Statement of Revenues, Expenses, and Changes in Net Position for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of College management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion. We did not perform review procedures on the activity of Danville Community College Educational Foundation, a discretely presented component unit of Danville Community College, which is presented in the accompanying financial statements.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Danville Community College is one of 23 community colleges that comprise the Virginia Community College System, which is a component unit of the Commonwealth of Virginia. Federal funds received by the Commonwealth of Virginia are audited at a statewide level by the Auditor of Public Accounts under the Single Audit Act Amendments of 1996 and the U.S. Office of Management

and Budget Circular A-133. As a major program, the Auditor of Public Accounts audits Federal Student Financial Aid at Virginia's state-supported colleges and universities generally on a triennial cyclic basis. The Auditor of Public Accounts audited Danville Community College's Federal Student Aid programs in fiscal years 2010 and 2013 and did not report any material compliance issues. Copies of our audits of the system-wide financial statements of the Virginia Community College System along with copies of our statewide Single Audits may be found on our website at www.apa.virginia.gov.

This report is intended solely for the information and use of the accreditation review board and is not intended to be and should not be used by anyone other than this specified party. However, this report is a matter of public record and its distribution is not limited.

AUDITOR OF PUBLIC ACCOUNTS

EMS/alh

Virginia Community College System
Danville Community College
Statement of Net Position
As of June 30, 2014

	Community College	Component Unit Danville Community College Educational Foundation
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 4,191,051	\$ 490,511
Appropriation available	2,290	-
Short term investments	36	512,421
Accounts receivable, net	2,876,842	2,636
Pledges receivable	-	105,200
Due from Commonwealth	233,308	-
Interest receivable	-	15,200
Inventories	486,852	-
Total Current Assets	7,790,379	1,125,968
Noncurrent Assets		
Restricted cash and cash equivalents	101,204	-
Endowment investments	-	6,056,244
Other long-term investments	-	754,051
Pledges receivable	-	192,177
Non-depreciable capital assets, net	801,849	-
Depreciable capital assets, net	21,184,842	-
Total Noncurrent Assets	22,087,895	7,002,472
Total Assets	29,878,274	8,128,440
Deferred Outflows of Resources		
	-	-
Total Assets and Deferred Outflows of Resources	29,878,274	8,128,440
Liabilities		
Current Liabilities		
Accounts and retainage payable	123,175	-
Accrued payroll expense	1,129,619	-
Unearned revenue	839,034	-
Long-term liabilities-current portion	825,182	-
Securities lending obligation	1,156	-
Due to Commonwealth	2,000	-
Deposits	249,306	-
Total Current Liabilities	3,169,472	-
Noncurrent Liabilities		
Long-term liabilities	224,991	-
Total Noncurrent Liabilities	224,991	-
Total Liabilities	3,394,463	-
Net Position		
Net investment in capital assets	21,986,691	-
Restricted for:		
Nonexpendable	-	4,441,846
Expendable	150,609	1,614,398
Unrestricted	4,346,511	2,072,196
Total Net Position	\$ 26,483,811	\$ 8,128,440

Virginia Community College System
Danville Community College
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2014

	Community College	Component Unit Danville Community College Educational Foundation
Revenues		
Operating Revenue		
Tuition and fees (net of scholarship allowance of \$5,837,372)	\$ 4,952,637	\$ -
Federal grants and contracts	1,487,097	-
State and local grants	671,806	-
Nongovernmental grants	9,938	50,600
Auxiliary enterprises (net of scholarship allowance of \$1,138,069)	484,644	-
Gifts and contributions	-	9,816
Endowment income	-	884,967
Other operating revenues	175,489	126,191
Total Operating Revenue	7,781,611	1,071,574
Expenses		
Operating Expenses		
Instruction	13,347,257	-
Public service	114,287	-
Academic support	1,906,422	5,642
Student services	1,550,984	-
Institutional support	3,307,648	400,989
Operation and maintenance	1,621,384	-
Scholarships and fellowships	2,350,691	343,680
Auxiliary enterprises	1,036,073	-
Fundraising	-	106,209
Total Operating Expenses	25,234,746	856,520
Operating Income (Loss)	(17,453,135)	215,054
Nonoperating Revenues(Expenses)		
State appropriations	9,881,004	-
Local appropriations	27,000	-
Grants and gifts	8,074,410	-
Investment income	7,780	117,440
Other nonoperating revenue (expense)	5,318	-
Net Nonoperating Revenue	17,995,512	117,440
Income before other revenues, expenses gains (losses)	542,377	332,494
Capital gifts, grants and contracts	108,422	-
Additions to permanent and term endowments	-	671,785
Increase (Decrease) in Net Position	650,799	1,004,279
Net Position		
Net Position beginning of year	25,833,012	7,124,161
Net Position end of year	\$ 26,483,811	\$ 8,128,440

See Independent Accountant's Review Report